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a single people, and that they have interests which no man can privately determine without their knowledge and counsel. That is the meaning of representative government itself. Representative government is nothing more nor less than an effort to give voice to this great body through spokesmen chosen out of every grade and class.

"You may think that I am wandering off into a general disquisition that has little to do with the business in hand—but I am not. This is business—business of the deepest sort. It will solve our difficulties if you but take it as business.

TARIFF A SYSTEM OF FAVORS

"See how it makes business out of the tariff question. The tariff question, as dealt with in our time at any rate, has not been business. It has been politics. Tariff schedules have been made up for the purpose of keeping as large a number as possible of the rich and influential manufacturers of the country in a good humor with the republican party, which desired their constant financial support. The tariff has become a system of favors, which the phraseology of the schedule was often deliberately contrived to conceal. It becomes a matter of business, of legitimate business, only when the partnership and understanding it represents is between the leaders of congress and the whole people of the United States, instead of between the leaders of congress and small groups of manufacturers demanding special recognition and consideration. That is why the general idea of representative government becomes a necessary part of the tariff question. Who, when you come down to the hard facts of the matter, have been represented in recent years when our tariff schedules were being discussed and determined, not on the floor of congress, for that is not where they have been determined, but in the committee rooms and conferences? That is the heart of the whole affair. Will you, can you, bring the whole people into partnership or not? No one is discontented with representative government; it falls under question only when it ceases to be representative. It is at bottom a question of good faith and morals.

FLAYS PAYNE TARIFF BILL

"How does the present tariff look in the light of it? I say nothing for the moment about the policy of protection, conceived and carried out as a disinterested statesman might conceive it. Our own clear conviction as democrats is, that in the last analysis the only safe and legitimate object of tariff duties, as of taxes of every other kind, is to raise revenue for the support of the government; but that is not my present point. We denounce the Payne-Aldrich tariff act as the most conspicuous example ever afforded the country of the special favors and monopolistic advantages which the leaders of the republican party have so often shown themselves willing to extend to those to whom they looked for campaign contributions. Tariff duties, as they

have employed them, have not been a means of setting up an equitable system of protection. They have been, on the contrary, a method of fostering special privilege. They have made it easy to establish monopoly in our domestic markets. Trusts have owed their origin and their secure power to them. The economic freedom of our people, our prosperity in trade, our untrammelled energy in manufacture depend upon their reconsideration from top to bottom in an entirely different spirit.

ADVOCATES PRUDENT REDUCTIONS

"We do not ignore the fact that the business of a country like ours is exceedingly sensitive to changes in legislation of this kind. It has been built up, however ill-advisedly, upon tariff schedules written in the way I have indicated, and its foundations must not be too radically or too suddenly disturbed. When we act we should act with caution and prudence, like men who know what they are about, and not like those in love with a theory. It is obvious that the changes we make should be made only at such a rate and in such a way as will least interfere with the normal and healthful course of commerce and manufacture. But we shall not on that account act with timidity, as if we did not know our own minds, for we are certain of our ground and of our object. There should be an immediate revision, and it should be downward, unhesitatingly and steadily downward.

"It should begin with the schedules which have been most obviously used to kill competition and to raise prices in the United States, arbitrarily and without regard to the prices pertaining elsewhere in the markets of the world; and it should, before it is finished or intermitted, be extended to every item in every schedule which affords any opportunity for monopoly, for special advantage to limited groups of beneficiaries, or for subsidized control of any kind in the markets or the enterprises of the country; until special favors of every sort shall have been absolutely withdrawn and every part of our laws of taxation shall have been transformed from a system of governmental patronage into a system of just and reasonable charges which shall fall where they will create the least burden. When we shall have done that, we can fix questions of revenue and of business adjustment in a new spirit and with clear minds. We shall then be partners with all the business men of the country, and a day of freer, more stable prosperity shall have dawned.

EVIL INFLUENCE OF FAVORS

"There has been no more demoralizing influence in our politics in our time than the influence of tariff legislation, the influence of the idea that the government was the grand dispenser of favors, the maker and unmaker of fortunes, and of opportunities such as certain men have sought in order to control the movement of trade and industry throughout the continent. It has made the government a prize to be captured and parties the means of effecting the capture. It has made the business men of one of the most virile and enterprising nations in the world timid, fretful, full of alarms; has robbed them of self-confidence and manly force, until they have cried out that they could do nothing without the assistance of the government at Washington. It has made them feel that their lives depended upon the ways and means committee of the house and the finance committee of the senate (in these later years particularly the finance committee of the senate.) They have insisted very anxiously that these committees should be made up only of their 'friends;' until the country in its turn grew suspicious and wondered how those committees were being guided and controlled, by what influence and plans of personal advantage. Government can not be wholesomely conducted in such an atmosphere. Its very honesty is in jeopardy. Favors are never conceived in the general interest; they are always for the benefit of the few, and the few who seek and obtain them have only themselves to blame if presently they seem to be condemned and distrusted.

"For what has the result been? Prosperity? Yes, if by prosperity you mean vast wealth no matter how distributed, or whether distributed at all, or not; if you mean vast enterprises built up to be presently concentrated under the control of comparatively small bodies of men, who can determine almost at pleasure whether there shall be competition or not. The nation as a nation has grown immensely rich. She is justly proud of her industries and of the genius of her men of affairs. They can master anything they set their minds to, and we have been greatly stimulated under their leadership and command. Their laurels are many and very green. We

must accord them the great honors that are their due and we must preserve what they have built up for us. But what of the other side of the picture? It is not as easy for us to live as it used to be. Our money will not buy as much. High wages, even when we can get them, yield us no great comfort. We used to be better off with less, because a dollar could buy so much more. The majority of us have been disturbed to find ourselves growing poorer, even though our earnings were slowly increasing. Prices climb faster than we can push our earnings up.

COMPETITION THING OF PAST

"Moreover, we begin to perceive some things about the movement of prices that concern us very deeply, and fix our attention upon the tariff schedules with a more definite determination than ever to get to the bottom of this matter. We have been looking into it, at trials held under the Sherman act and in investigations in the committee rooms of congress, where men who wanted to know the real facts have been busy with inquiry; and we begin to see very clearly what at least some of the methods are by which prices are fixed. We know that they are not fixed by the competitions of the market, or by the ancient law of supply and demand which is to be found stated in all the primers of economics, but by private arrangements with regard to what the supply should be and agreements among the producers themselves. Those who buy are not even represented by counsel. The high cost of living is arranged by private understanding.

"We naturally ask ourselves, how did these gentlemen get control of these things? Who handed our economic laws over to them for legislative and contractual alteration? We have in these disclosures still another view of the tariff, still another proof that, not the people of the United States but only a very small number of them have been partners in that legislation. Those few have learned how to control tariff legislation, and as they have perfected their control they have consolidated their interests. Men of the same interest have drawn together, have united their enterprises and have formed trusts; and trusts can control prices. Up to a certain point (and only up to a certain point) great combinations effect great economies in administration, and increase efficiency by simplifying and perfecting organization, but whether they effect economies or not, they can very easily determine prices by intimate agreement, so soon as they come to control a sufficient percentage of the product in any great line of business; and we now know that they do.

NO ONE PERSON TO BLAME

"I am not drawing up an indictment against anybody. This is the natural history of such tariffs as are now contrived, as it is the natural history of all other governmental favors and of all licenses to use the government to help certain groups of individuals along in life. Nobody in particular, I suppose, is to blame, and I am not interested just now in blaming anybody; I am simply trying to point out what the situation is, in order to suggest what there is for us to do, if we would serve the country as a whole. The fact is, that the trusts have been formed, have gained all but complete control of the larger enterprises of the country, have fixed prices and fixed them high so that profits might be rolled up that were thoroughly worth while, and that the tariff, with its artificial protections and stimulations, gave them the opportunity to do these things, and has safeguarded them in that opportunity.

"The trusts do not belong to the period of infant industries. They are not the products of the time, that old laborious time, when the great continent we live on was undeveloped, the young nation struggling to find itself and get upon its feet amidst older and more experienced competitors. They belong to a very recent and very sophisticated age, when men knew what they wanted and knew how to get it by the favor of the government. It is another chapter in the natural history of power and of 'governing classes.' The next chapter will set us free again. There will be no flavor of tragedy in it. It will be a chapter of readjustment, not of pain and rough disturbance. It will witness a turning back from what is abnormal to what is normal. It will see a restoration of the laws of trade, which are the laws of competition and of unhampered opportunity, under which men of every sort are set free and encouraged to enrich the nation.

"I am not one of those who think that competition can be established by law against the drift of a world-wide economic tendency; neither